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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 002215

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TAGS: PGOV TW

SUBJECT: RECALL MOTION AGAINST PRESIDENT CHEN FAILS IN THE

LEGISLATIVE YUAN

REF: TAIPEI 2194

Classified By: AIT Acting Deputy Director Charles E. Bennett, Reasons: $1.4 \ (b/d)$

- 11. (C) Summary: The Pan-Blue opposition motion to recall President Chen Shui-bian failed to pass Taiwan's Legislative Yuan (LY) on June 27, as was expected. Following the vote, KMT Chairman Ma Ying-jeou announced he would not support a vote of no confidence in Premier Su Tseng-chang at this time and he would also not hold large street protests. PFP Chairman James Soong called for a three stage campaign: a no confidence vote, an LY reelection, and a second recall vote against Chen. President Chen issued yet another apology and urged a return to social harmony. Two Pan-Blue legislators suggested that the campaign against Chen will continue but at a lower level of intensity for now. A KMT legislator said he expected the flood control bill and some other legislation to be approved by the LY before the special session ends on June ¶30. End Summary.
- (SBU) As expected, the Pan-Blue opposition motion to recall President Chen over corruption allegations against several persons close to him failed to pass Taiwan's Legislative Yuan (LY) on June 27 (reftel). The final vote count was 119 (yes) - 0 (no) - 14 (invalid ballots), well short of the two-thirds majority 148 "yes" votes needed for passage. The DPP stayed outside the LY and boycotted the recall vote, as it had boycotted the entire recall process, resulting in no votes being cast against the recall motion. After coordinating its position with former President Lee Teng-hui, the Pan-Green Taiwan Solidarity Union (TSU) abstained to show that it opposed the recall motion but did not endorse corruption. One legislator who had quit the DPP last March voted, "I love neutrality," and another legislator expelled by the DPP last April for corruption also cast an invalid vote. There was great interest in the vote of KMT LY President Wang Jin-pyng, who generally tries to portray a neutral image and maintains relations with President Chen. Adhering to party discipline, Wang voted in favor of the recall.
- 13. (C) Approximately 3,000 Pan-Blue and 3,000 Pan-Green demonstrators gathered outside the LY as the recall vote was being held. To forestall any violence, the police used barricades to separate pan-Blue and pan-Green supporters on different streets and they were vigilant in patrolling the area. In the pan-Blue area, KMT and PFP supporters were in separate locations, with a distinct no-man's land between the two groups. While KMT supporters waved flags and blew air horns, few PFP supporters carried banners or air horns, apparently to fit the image of PFP Chairman James Soong's

largely silent sit-in. The Pan-Green demonstration was noticeably less energetic, but the supporters were more unified and tightly-packed than their Pan-Blue counterparts. The police kept the generally peaceful crowds under control, though there were a few minor scuffles and incidents, including Pan-Green efforts to burn PRC flags, which the police quickly extinguished.

- (C) Following the vote, KMT Chairman Ma Ying-jeou said he would continue the Pan-Blue recall signature drive (now at 1.7 million) and ask KMT legislators to hold grassroots meetings to seek Taiwan's "core values." Ma also announced that he would not move immediately to a vote of no confidence in Premier Su and would not hold large street protests. public opinion has reached a certain threshold, Ma said, he would again consider the no confidence vote issue. PFP Chairman James Soong proposed a three part strategy: a no confidence vote, followed by a new LY election, and then a second recall motion against Chen (with a more favorable opposition majority in the LY). Chen issued a four-point press statement saying he respected the results of the recall motion according to constitutional process regardless of the outcome, regretted the turmoil surrounding himself and his family, expressed hope society would give prosecutors space to carry out their investigations, urged the parties in LY to take care of urgently needed legislation, and expressed hope for a return from confrontation to social harmony. Not surprisingly, the words "scandal" and "corruption" did not appear in Chen's press statement.
- $\underline{\P}5.$ (C) Speaking shortly after the recall vote, KMT legislator Lai Shyh-bao suggested to AIT that President Chen's problems are just beginning. Lai explained that

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former President Lee Teng-hui's recent criticism of Chen is a sign that Pan-Green unity is starting to fray. The next time a recall motion is presented, Chen will be less able to count on a unified Pan-Green front.

- 16. (C) Lai suggested that the LY should be able to consider and pass ten of the twelve bills remaining on the agenda before the special session ends on June 30, including the flood control measures bill. However, there may not be enough time to consider two controversial bills on cross-Strait relations. (Note: The agenda for the special LY session does not include the arms procurement bill. End Note.) According to Lai, KMT-PFP relations are still strong, and he expects good inter-party cooperation during the remaining three days of the special session.
- 17. (C) Lai noted that the KMT Central Standing Committee decided last week decided that the KMT will not support, and no KMT legislator is permitted to sign, proposals calling for a second special LY session. Also, Lai said, the KMT does not support a no confidence vote at this time because the Central Election Commission has not finished redrawing the LY electoral districts and the KMT has not decided how it will select its roster of at-large party candidates. The KMT is not prepared for a snap LY election which might follow a successful vote of no confidence.
- 18. (C) Speaking on the eve of the recall vote, PFP legislator Daniel Hwang (Yih-jiao) told AIT that PFP Chairman James Soong and the party may be reconsidering Soong's push for a no confidence vote on the heels of the recall failure. LY members are tired after the prolonged public debate over the recall, Hwang explained, and there is little energy or support to hold another special session before August. However, Hwang added, public opinion is beginning to trend in favor of a no confidence vote. Voters want to get rid of corruption in the presidential office. Therefore, Hwang predicted that the PFP would push for a second special LY session before the regular session convenes in September, either to consider a second recall vote if there is enough new evidence, or to call a no confidence vote against Premier

- Su. Hwang conceded, however, that the PFP cannot bring about another special LY session if the KMT is opposed.
- 19. (C) Hwang characterized the pending flood control bill as "pork-barrel spending for DPP interests" and said his caucus will try to link passage of that bill to passage of the controversial amendments to the cross-Strait law. After the special session ends on Friday, PFP legislators will "pack up and go home" to their respective districts to attend to their constituents. However, Soong intends to call the legislators back to Taipei every weekend, to hold activities to heighten public awareness of Chen administration corruption. The PFP is hopeful that continuing investigations into corruption allegations will yield new evidence, leading to a second recall motion against Chen.
- 110. (C) Hwang remarked that Soong recognizes that Taiwan's political situation is "very fluid" right now and that it might be unwise for him to formally enter the Taipei mayoral race. Asked about press reports that Soong was angry with Ma after being forced to wait to speak at a KMT rally over the weekend (reftel), Hwang replied that Soong had been exhausted by his extended protest in front of the Legislative Yuan, and was mildly upset that he got the "cold shoulder" upon his arrival at the KMT event. Hwang said the incident was minor and that Soong and Ma had already put it behind them. (Note: Ma visited Soong at his sit-in on Monday evening, June 26, which doubtless helped to smooth relations. End Note.)

Comment

111. (C) While there may be some temporary calming in the political atmosphere, the Pan-Blue has been extraordinarily successful in using the corruption issue against Chen and the DPP, and so we do not expect this failed recall vote to be the end of the saga. Pan-Blue legislators will hope to dig up more dirt over the summer to be ready for further action when the LY reconvenes in September, if not sooner. KEEGAN